REMARKS

Entry of this Amendment and reconsideration are respectfully requested in view of the amendments made to the claims and for the remarks made herein.

Claims 1-15 are pending and stand rejected. Claims 1, 4, 7, 11, 14 and 15 have been amended.

Claims 1-15 stand rejected under 35 USC 112, first paragraph, as failing to comply with the written description. The Office Action states that the specification fails to teach "the feature 'wherein a threshold is provided to determine whether an 8x8 DCT block is to be encoded at the first high level of quantization or the second lower level of quantization ...'" and "the particular feature 'wherein the encoding step uses a threshold to determine whether an 8x8 block is to be encoded...'"

Applicant respectfully disagrees with and explicitly traverses the reason for rejecting the claims. Applicant believes that the Office Action is incorrectly reading the claims in attributing the threshold value to the encoder rather than the DCT block classifier, which determines whether the information within a block exceeds a threshold amount. The language of the claims should be read to associate the threshold with the DCT block classifier and not the encoder. However, in the interest of advancing the prosecution of this matter, the claims have been amended to restate the referred-to wherein clauses so that they more clearly refer to the subject matter to which they are associated. No new matter has been added.

Support for the amendments may be found on at least page 7, line 11-page 8, line 6, which state "[a] disparity threshold is then chosen, e.g., 7, and any disparity above the threshold 7 indicates the pixel is foreground information while any disparity below 7 indicates the pixel is background information. These calculations are all performed in the foreground detector 50 of Fig. 4. The output of the foreground detector is one of the images, e.g., image B, and another block of data which is of the same size as the image data and indicates which pixels are foreground pixels, e.g., '1', and which are background pixels, e.g., '0'. These two outputs are supplied to a DCT block classifier 52 which creates 8x8 DCT blocks of the images and also binary blocks which indicate which DCT blocks of the image are foreground and which are background information. Depending on the number of pixels in a particular DCT block that are foreground information, which can be

a predefined threshold or vary as the bit rate capacity of the channel varies, the block will either be identified to the encoder as a foreground block or a background block." Accordingly, the DCT block classifier uses a threshold value to determine whether an 8x8 block of pixels that contains a mix of foreground pixel information and background pixel information is a foreground block depending upon whether the number of foreground pixel information within the 8x8 block exceeds the threshold value.

Contrary to the statements made in the Office Action, on page 4, lines 7-11, ("[t]he disclosure therefore provides no support for a threshold to determine whether ... an 8x8 DCT block is to be encoded at the first light level ... or the second lower level."), applicant submits that the written description clearly teaches the above limitation in stating "[d]epending on the number of pixels in a particular DCT block that are foreground information, which can be a predefined threshold or vary as the bit rate capacity of the channel varies, the block will either be identified to the encoder as a foreground block or a background block."

Having amended the claims as described and showing that adequate support exists in the written description, applicant submits that the reason for the rejection has been overcome and respectfully requests that the rejection be withdrawn.

Claim 15 stands rejected under 35 USC 103(a) as being unpatentable over Stenger (DE 3608489A1) in view of Katata (USP no. 5,815,601) and Vogel (USP no. 5,412,431) and claim 1-14 stand rejected under 35 USC 103(a) as being unpatentable over Stenger in view of Katata and Vogel and further in view of Monro (USP no. 6,078,619) and Chun (USP no. 6,038,258), which are the same reasons for rejecting the claims that were cited in the prior Office Action.

Applicant, again, respectfully disagrees with and explicitly traverses the reason for the rejection of the claims for same arguments made in response to the prior Office Action, which are reasserted, as if in full, herein.

Applicant would further address the remarks contained in section 5 of the instant Office Action made in response to applicant's arguments made in response to the prior Office Action.

With regard to the reference to column 2, lines 44-58 of Vogel (see page 11, line 21, instant OA) for the teaching that a threshold value Lmax is used for determining fine

or coarse quantization, applicant respectfully submits that a reading of this section reveals that Vogel teaches determining a difference between two consecutive data blocks and a background index L is increased when the difference falls below a predetermined value and that the quantizer is set to a finer quantization whenever the background index L has a value which is above a threshold value Lmax and whenever at least one further system parameter has reached or exceeded a predetermine threshold and that the quantizer is set to a quantization which is at least as coarse as the quantization effected by the buffer control, as long as the background index L is above the value Lmax.

However, Vogel teaches a comparison between consecutive images and not within the image as is recited in the claims. This is more clearly stated in column 3, lines 5-10, which state "equivalent macroblocks of two consecutive video pictures are checked on conformity. If the two data blocks correspond within predetermined tolerance limits, a background index, or integer L, is increased by one unit." Accordingly, Vogel fails to teach using a threshold value to determine or indicate whether an 8x8 DCT block within an image is a foreground block or a background block and encoding foreground blocks at a high rate and background blocks at a lower rate.

As argued in response to the prior Office Action, applicant submits that even if the teachings of Stinger, Katata and Vogel were combined the combination fails to teach all the elements claimed in claim 15. Similarly, claims 1-14 are not rendered obvious by the combination of Stinger, Katata, Vogel, Monro and Chun as the combination fails to disclose all the element recited in the claims.

With regard to applicant's arguments that there is no motivation to combine the teachings of Stinger, Katata, Vogel, Monro and Chun, the Office Action states "[i]t is not necessary that the references actually suggest, expressly or in so many words, the changes or improvements that applicant has made. The test for combining the references is what the references as a whole would have suggested to one of ordinary skill in the art." (see page 12, lines 13-16).

However, applicant respectfully submits that with regard to obviousness the courts have found that "[t]he very ease with which the invention can be understood may prompt one to fall victim to the ... effect of a hindsight syndrome wherein that which only the invention taught is used against its teacher." Iron Grip Barbell Company v. USA Sports,

Inc., Docket no. 04-1149, Dec. 14, 2004, p. 4, (Fed.Cir. 2004), (quoting In re Kotzab, 217 F.3d 1365, 1369 (Fed. Cir. 2000). "Where an invention is contended to be obvious ... our cases require that there be a suggestion, motivation or teaching ... for such a combination." *Id.* at 5 (quoting In re Fine, at 1074 (Fed. Cir. 1988). "This requirement prevents the use of 'the inventor's disclosure as a blueprint for piecing together the prior art to defeat patentablility -- the essence of hindsight.'" *Id.* (quoting Ecolochem, Inc. v. So. Cal. Edison Co., 227 F.3d 1361, 1371-1372 (Fed. Cir. 2000), quoting In re Dembiczak, 175 F. 3d 994, 999 (Fed. Cir.1999)).

In this case, applicant believes the instant application has been used as a blueprint to impermissibly combine the teachings of five different references to allegedly recite all the elements claimed. Applicant submits that no showing has been made where any of the references provide motivation to combine their teachings with any of the other cited references.

For at least this reason also, applicant submits that the reason for the rejection has been overcome and respectfully requests that the rejection be withdrawn.

Although the last Office Action was made final, this amendment should be entered. No matter has been added to the claims that would require comparison with the prior art or any further review. Accordingly, pursuant to MPEP 714.13, applicant's amendments should only require a cursory review by the examiner. The amendment therefore should be entered without requiring a showing under 37 CFR 1.116(b).

For all the foregoing reasons, it is respectfully submitted that all the present claims are patentable in view of the cited references. A Notice of Allowance is respectfully requested.

Respectfully submitted,

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Date: May 19, 2006

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